

Priesthill Strategy- Former Barratt Properties

1. Background

During the past 6 months, officers from DRS Housing and Regeneration Services(DHRS) have met with private residents living in the former Barratt development of Priesthill bounded by the addresses 18/48 Linnhead Drive, 98/100 Glenmuir Drive, 233/241 Househillmuir Rd and 2/48 Ravenscraig Drive. The vast majority of the flats with the exception of the block at 18/22 Linnhead Drive were former council inter war stock refurbished by Barratt in the early 1980s for sale, targeting first time buyers. The new build block in Linnhead Drive was built by Barratt at the same time. In total there are 196 flats.

Problems within the area were first highlighted to DHRS around 15 months ago following concerns raised by local residents and Elected Members.

As a result, officers met with Rosehill Housing Co-operative (Rosehill) in May 2015 to ask Rosehill to carry out a feasibility study and options appraisal for the properties on the council's behalf. Rosehill had previously expressed an interest in becoming involved.

2. Current Tenure Issues

Whilst initially these properties were factored, over the years, the flats have been sold on and owners failed to pay for the service. As a consequence the lack of factoring and maintenance of the properties has resulted in a steady decline in property condition and many of the flats have been acquired by private landlords. Of the 196 properties, private rented properties now account for 75% of the total which is an extremely high proportion in comparison to developments in other areas of the city. In their current state of disrepair, these properties will not attract a factor. One of the big challenges facing this stock is to bring it up to a standard which requires only routine maintenance and in turn making it factorable. Achieving this is an important part of sustaining these properties for the long term, and protecting the proposed investment.

A breakdown of the current tenure is as follows:

Number of Properties	196
Landlords	148
Owner/occupiers	48
No.of Private Landlords registered	128

It is estimated that around 25 of the flats are currently empty. This would account for the majority of private lets which are not registered. Presently 20 of the flats are being leased to Orchard and Shipman as part of the Home Office Asylum Seeker Dispersal Programme.

3. Feasibility Study/ Options Appraisal

Rosehill commissioned John Gilbert (Architects) and Reid Associates (Quantity Surveyors) to undertake an options appraisal for the 27 x 3 storey blocks of flats within the target area comprising of studios and 3 and 4 apartment flats, all of which are accessed from communal closes. A non-invasive (visual) survey was carried out of the external building fabric to highlight common fabric repair issues. A draft Options Appraisal was issued by the consultants in October 2015. The options looked at were the repair of the external fabric of the buildings, internal modernisation, environmental improvement works; partial refurbishment and selective demolition and new build; complete demolition and new build. Estimated costs for the various options ranged from £13.6m to £15.3m.

The survey of the external parts of the properties revealed the stock condition was variable, however in almost all cases, there are at least some elements of the buildings in disrepair to some extent. The properties on Linnhead Drive appear to have the most significant problems.

The main issues with the condition of the properties identified in the study are:

- Defective Wall structures – 66% of property walls showing sufficient signs of defect
- Roof structures – most require replacement or repair
- Renewal/repair of roof coverings, rain water goods and flashings required
- General need for close repairs throughout the 27 blocks
- Windows & External Doors – 86% of external doors defective, requiring repair or replacement
- Secure common external front & rear door entry systems – the majority of close entrances left unsecured, due to vandalism or lack of maintenance
- Backcourts – disused and unkempt with high evidence of fly tipping
- Bin Stores – again unusable with widespread fly tipping of refuse and bulky items
- Lack of common close lighting which is creating a feeling of insecurity
- Landscaping works required to improve the external environmental area

In addition there are issues with pigeons accessing a number of the roof spaces.

It was strongly recommended should EWI works be undertaken, that it is carried out at the same time as the common fabric repair works in order to achieve maximum benefits in

terms of costs and value for money. Any cost savings generated would be passed on to owners.

4. Engagement with Owners

An initial meeting was held with a small group of representatives from the Barratt Circle Residents Association on 16th December 2015.

This was followed by a Resident Drop In Event held on 10th February 2016 with the community. The focus of this informal event was to gather residents' views on the issues with the 'Barratt flats'. The event was well attended.

The main issues highlighted by residents were:

- A lack of security (broken and missing close doors, door entry systems not working)
- Inadequate close lighting
- Lack of property maintenance/ factoring – only 1 close self-factored within the area
- Disused backcourts and parking areas
- Cleansing issues – Fly tipping, bins not being emptied, bins set on fire
- Poor property condition – Pigeons within the loft spaces,
- Dampness
- Problems with Absentee landlords
- Antisocial Behaviour

5. Options

At the Drop In session owners were asked to complete a short questionnaire whereby the following options were presented regarding their properties/the area:

A. Do Nothing

B. Complete Demolition and New Build

C. Partial Demolition and New Build

D. RSL Involvement and Comprehensive Repairs

E. RSL Involvement – Limited Repair Scheme (External fabric)

F. Any other suggestions/ proposals

The vast majority of those who completed the questionnaire stated that their preferred option was RSL involvement/limited Repairs. This outcome is not surprising as there is clearly a desire from the owners for the council to find not only an affordable solution that can allow them to continue to stay in their properties but also to deliver the wide ranging changes that are required.

A follow up meeting was held on 10th May 2016 to provide feedback to the owners and seek their consent to take forward a repairs project on a phased programme basis.

- Phase 1 – External Wall Insulation and common fabric repairs including roof, gutters, downpipes, windows, clearing roof spaces etc.
- Phase 2 – Security measures – close doors, close lighting
- Phase 3 - Environmental works – back gardens, bins, common areas, external lighting etc.
- Factoring /management / maintenance arrangements will require to be put in place to enable owners to access funding.

In line with the Deeds of Condition a quorum was present and the relevant majority of owners voted in favour of taking the project forward to the next stage which is to firm up the project costs, confirm funding to carry out the proposed works and agree the works programme.

In recognition of the affordability/ poverty issues many owners face GCC advised that it will attempt to cap owner occupier costs at around £1,000 and around £2,000 for private landlords. (Priesthill /Househillwood) is a designated 'Thriving Place' which centres on Glasgow Community Planning Partnership working alongside communities to make better use of existing resources and assets.

The costs for particular properties such as 48 Linnhead Dr which is boarded up due to fire damage will be higher as the works required are more extensive. The close has now been secured by GCC DRS to prevent access. Costs may also be lower on some of the other properties in Ravenscraig Drive where common repair works have previously been carried out.

A further meeting was held with the owners on 21st June 2016 to report back on costs for the project however GCC had not received confirmation of our HEEPS funding bid. Instead officers from GCC gave owners information on the progress which had been made to date including bin audit, tree survey, close at 48 Linnhead Drive and that the SG had now requested GCC to submit a strategy for the area to demonstrate how we will safeguard any investment.

Rosehill updated the owners on the appointment of their Design team (professional consultants) and the type of contractor to undertake the works. The importance of owners signing up to an "agency" agreement was emphasised.

Owners were also given information on additional benefits in terms of thermal efficiency measures e.g. gas installation and replacement boiler scheme for qualifying households.

Owners were advised that a further meeting would be held in late September/early October to confirm costs and hopefully funding from the HEEPS programme. The programme of works including date of commencement, arrangements to tackle common maintenance issues as we bring the stock up to a standard for factoring. Owners contributions will also be confirmed. GCC has already confirmed that where owner/occupiers can demonstrate financial hardship they will be afforded an instalment facility allowing them to repay the amounts due over an agreed period of time. Rosehill will facilitate this arrangement locally.

The council is committed to delivering a programme of works for residents which will tackle their concerns and make the area a more desirable and safer place to live. We aim to commence works in January 2017 as Glasgow City Council will require to allocate substantial financial resources from its Private Sector Housing Grant (PSHG) budget over at least 2 financial years and possibly monies from its Transfer of Management of Development Funding (TMDF) budget to ensure that the project is delivered.

6. Next steps and proposed works programme

Phase 1 – External Wall Insulation & Common Fabric Repairs

The EWI and external common fabric works will be carried out in 2/3 phases: Ravenscraig Dr, Househillmuir Rd and Glenmuir Drive followed by Linnhead Drive. The empty close at 48 Linnhead Drive will be dealt with last. GCC and Rosehill are currently looking at the options for this close. A survey has been carried out by a structural engineer which has confirmed the building is structurally sound and can be repaired. We are currently awaiting costs from the consultants for the repair of the building with a view to either GCC carrying out the repairs on a statutory basis or alternatively for Rosehill to consider acquiring from owners (this may be a majority interest). If acquisition is considered the best option, and owners are prepared to sell prior to the commencement of works, then the SG would have to confirm if this would impact on HEEPS funding for this close.

The funding for External Wall Insulation (EWI) works is vital to the long-term sustainability of the properties. In addition to improving the thermal efficiency of the properties, which will help tackle fuel poverty, the works will have a major positive impact on the external appearance of the properties which have suffered due to the lack of maintenance over the years. With the erection of scaffold to undertake this work the aim would be to address external fabric repair issues such as gutter and downpipe renewal, windows and roof and associated works at the same time in order to reduce owners repair costs. i.e. potential savings from the erection of scaffolding.

The council is prepared to serve statutory work notices or enact any other legislation at its disposal to facilitate the common repair works.

Other possible energy efficiency opportunities for owners within the estate are also being explored such as, free loft insulation for properties with Council Tax Bands A-C.

G.HEAT

As part of Glasgow's Housing Strategy a specific outcome has been identified in relation to Affordable Warmth. It states "Across all tenures we have increased the energy efficiency of the city's housing and taken steps to mitigate the impact of increasing energy costs on the level of fuel poverty in the city." GHEAT assists with Glasgow City Council's strategic aim of eliminating Fuel Poverty.

GHEAT provides a city wide service offering free, impartial and independent advice to help people reduce their fuel bills and make more cost effective use of the money they spend on fuel. Our aim is to deliver a GHEAT service to all householders in Priesthill. In addition residents will be assessed by Home Energy Scotland to ensure they have access all available grants and assistance. It is our intention to assist all those eligible to install a gas heating system through the Assisted Connection scheme.

Smart Meters

The rollout of smart meters is a major infrastructure investment and provides significant opportunities to help householders understand their energy use and access the best available tariffs.

Fuel poverty is a significant issue for householders and working with the Wise Group we will endeavour to maximise the installation of smart meters during the project and make the most of the energy efficiency measures being delivered.

Tree/Drainage Surveys

A tree survey has also been carried out as a number of trees will require to be removed / pruned back due to their location. Some are dangerously close to the building and are a cause for concern and also require to be removed to facilitate scaffolding.

A full drainage survey will also be undertaken.

Phase 2 Security of the properties

Secure close doors to the front and rear of the properties linked to door entry systems (front door), and stair lighting upgrades/repairs will be included. The aim would also be to carry out general close repairs/ decoration works.

All owners will be asked to participate in the common repair works on a voluntary basis with financial assistance being provided by the council. It is anticipated there will be a healthy majority in favour of the works and the council will agree to underwrite the costs of those owners who are unwilling or unable to pay their shares to ensure that the works will proceed.

Rosehill Housing Co-operative will enter into a Minute of Agreement with owners and ensure a payment instalment facility is available to owner/occupiers who demonstrate hardship. The council will agree to eliminate financial risk for Rosehill by agreeing to underwrite any shortfalls in payments.

The council proposes to serve Work Notices on any non-paying owner under Section 30 of the Housing (Scotland) Act 2006 and pursue for recovery in terms of our Scheme of Assistance. The Council and Rosehill will encourage owners to participate and do everything within our powers to assist. Rosehill will engage the services of an additional member of staff to liaise with owners and to encourage as many of them as possible to sign up for the works. This post will be partly funded by Rosehill and from fees paid by GCC DRS.

Phase 3 – Environmental Area

Landscaping works are required to improve the external environmental area. The Council and Rosehill propose to carry out further consultation with the residents to get a strong consensus for backcourt improvement works and maintenance of the common areas. A number of options will be explored whilst ensuring the security of the area including the revision of the deeds of condition to form specified areas. Rosehill will also explore the possibility of new build housing (the common area is considerable) which would reduce the maintenance burden on existing owners. If the area remains in its present form Rosehill will agree to act as managing agent for the council to maintain it (if agreement cannot be secured from the owners). Monies will also be earmarked (from owners contributions-subsidised by GCC) to set up a sinking fund for future maintenance works. During this phase the openings between blocks will also be considered.

7. Other issues to be addressed:

Promote a sustainable tenure balance

It is imperative the current tenure imbalance is addressed. There are too many private lets within the development which, if not the cause, has certainly added to the decline of the properties and the development overall. This requires to be addressed.

- **Acquisition** – This housing development is included within Glasgow City Council's Acquisition Strategy and funding will be made available from TMDF for Rosehill to acquire the properties plus a contribution towards the cost of repairs. While GCC has noted interest from some owners to sell it is unlikely however that many will be prepared to sell at the present time due to low property valuations. Empty properties will be targeted as a priority. If properties are acquired prior to the commencement of works it is GCC's understanding HEEPS funding would not be available. If this is the case the withdrawal of this funding would require to be reflected in the acquisition price. GCC is currently working with Rosehill to identify all of the risks involved and to see what the council can do to mitigate these.

A productive meeting was recently held between representatives of the Council, Rosehill, the Scottish Housing Regulator and The Glasgow and West of Scotland Forum of Housing Associations. Allocations was one of the matters discussed and Rosehill would look at affording reasonable priority to people currently in private lets where properties are acquired for social rent. Partners are confident there will be demand from current private rented tenants in the area to pay a social rent for a better managed property in an improved condition.

Reduce and eliminate poor landlord practise and property condition through proactive intervention:

- **Compulsory Purchase** – GCC will prioritise the compulsory purchase of any empty property where owners cannot be found, are not prepared to communicate with us or where they do not wish to sell or participate in the works.
- **Closing Orders** – Take action against Below Tolerable Standard (BTS) properties. Where properties are determined as BTS internally they will be closed if owners fail to bring their properties up to a satisfactory standard.
- **Landlord Registration** - Ensure that all landlords are registered and take action against unregistered landlords. Any landlord who is deemed not fit and proper will have their registration referred to the Licensing and Regulatory committee for consideration of their fit and proper status.

- 3rd party reporting – Refer properties that do not meet the repairing standard to the Private Rented Housing Panel.
- Other Enforcement Action - Consider the use of any other appropriate legislation

Introduce a programme of preventative maintenance

- Set up a sinking fund for future maintenance of the common areas and seek an agreement from owners with regards future contributions. The use of maintenance orders will be considered if it is necessary to appoint a managing agent.
- Look at the full range of factoring services which can be provided. The intention would be to get owners to buy in to the appointment of factoring services and common building insurance. Maintenance orders will be considered if necessary.

Rosehill could take on the factoring of properties in their full or majority ownership. Where the blocks continue to operate on a mixed tenure basis they will act as managing agent for the council.

Monitoring services within the area

- GCC LES Cleansing will be fully consulted on bin provision / refuse collection prior to completion of the works to ensure that future collection services are fit for purpose. 25 Wheelie bins (following bin audit) have been ordered for the properties and temporary Taylor bins have been put in place to improve matters in the interim.
- An officer sub group is to be set up from the Thriving Places Task Group which will include officers from all relevant services such as DRS Housing and Regeneration Services, LES, Environmental Health and Cleansing, Community Safety Glasgow, Rosehill Housing Co-operative, Police Scotland and resident representatives etc. This will continue for as long as required.

Community Engagement

Residents require to be part of the solution so they will be fully consulted (as they have been up until now) during all parts of the process. They have a major contribution to make and will ultimately determine how successful the project is going to be. The council and our partners will offer every encouragement and support and listen to and address their concerns e.g. ordering wheelie bins/ securing the close at 48 Linnhead Drive, providing information and contact details to report ASB in the area.

Former water pump building

Situated in common back court area. Discuss options (including demolition) with the owners in relation to the building.

8. Conclusion

The former Barratt properties in Priesthill are a major cause for concern and action is required to address their decline. This strategy offers hope and solutions to the residents that live not only within the development but also to those who live in the close vicinity. Poor property condition and non-maintained common areas are typical of an area in decline. Current property values are amongst the lowest (if not the lowest) in the city and the properties now only attract the interest of private landlords who can still realise a profit from renting out the properties. However, this can only continue for so long.

At the beginning of the consultation process the feeling was that there were only a hardcore of owners and interested parties within the area who were reaching out to be listened to. Over the period however, this number has grown and it is evident owners are now starting to believe that something may happen. Officers from DHRS made it clear from the first meeting with residents that providing there was a willingness from owners to engage with the council and support the need for change then DHRS would be prepared to work with them to see how we could best address their concerns.

Poor property management and property condition were at the forefront of our discussions, with DHRS agreeing to bring forward an affordable package of measures which would not only tackle the level of disrepair in the buildings but would address the issues of security and the common areas which were of equal concern to the residents. Owners were advised that not only would they be expected to contribute to the costs but that any financial investment made by the Council or Scottish Government would require to be safeguarded through the future maintenance of the stock. This was accepted from the outset.

In a way the easy part is telling residents what we can do or what we hope to achieve or even coming up with a strategy for the area. The difficult part is having the resolve and confidence to commit to and deliver the level of change that is needed to make the area a more attractive proposition and improve the quality of life for the residents who live there.

The council would not be prepared to support this project if we did not feel that we can make a difference. Nor would we be prepared to invest monies if we felt that the level of change required could not be sustained. We fully acknowledge that we cannot do this on our own and that we need the co-operation and commitment from residents and partner organisations.

DHRS is not walking into this blindfolded. We know many challenges lie ahead and we will come up against difficult problems that we have not planned for. However, if we do not face this challenge now then it is unlikely we will be able to do so in the future because we will have lost the trust of residents and the properties will eventually (perhaps sooner rather than later) reach a point where they are no longer worth investing in. The only option will be demolition.

The Council is prepared to commit considerable resources to make this work but needs the Scottish Government to support the Council and its partners in our efforts to deliver the best possible outcomes for the residents of Priesthill within the specified timescales.